

DELAWARE: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Delaware Workers

- Roughly one-tenth (9.7 percent) of all manufacturing workers in Delaware depend on exports for their jobs (2001 data latest available).
- Export-supported jobs account for an estimated 3.5 percent of Delaware's total private-sector employment—one of every 29 jobs. (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports. Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Hundreds of Delaware Firms—Small As Well As Large

- A total of 938 companies exported from Delaware locations in 2001. Of those, 688 (73 percent) were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated 16 percent of Delaware's total exports of merchandise in 2001.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Delaware

- In 2002, majority-owned affiliates of foreign companies employed 23,300 Delaware workers.
- More than one-third of these foreign-investment-supported jobs (36 percent, or 8,400 workers) were in the manufacturing sector in 2002.
- Over one-fifth of all Delaware manufacturing workers in 2001 (21.9 percent) were employed by majority-owned U.S. affiliates of foreign firms, the highest percentage among the 50 states.
- Foreign investment in Delaware was responsible for 7.1 percent of the state's total private-industry employment in 2001, the fifth highest figure among the states.
- Major sources of foreign investment in Delaware in 2002 included the United Kingdom, Germany, the Netherlands, and Switzerland.

Note: All figures exclude employment in banks affiliated with foreign companies.

Source: Bureau of Economic Analysis.

Delaware Depends on World Markets

- Delaware's export sales of merchandise in 2003 totaled \$1.9 billion, down 18 percent from \$2.3 billion in 1999.

- Delaware exported globally to 125 foreign destinations in 2003. The state's leading market was our NAFTA trading partner Canada (\$533 million), which alone accounted for 28 percent of Delaware's total exports in 2003. Canada was followed by the other NAFTA member Mexico (\$254 million), and Germany (\$149 million). Other top markets included the United Kingdom, Japan, Taiwan, China, the Netherlands, Belgium, and Switzerland.
- Delaware's biggest growth market, in dollar terms, is China. From 1999 to 2003, export shipments to China increased from \$15.9 million to \$76.4 million, an increase of \$60.5 million. Delaware also recorded large increases in merchandise exports to Mexico (exports up \$55 million since 1999), Germany (up \$50 million), Taiwan (up \$43 million), and the United Kingdom (up \$24 million).
- Of Delaware's top 30 markets, five had merchandise shipments from the state more than double between 1999 and 2003. Delaware's exports to Portugal rose more than 11,000 percent—from about \$89,000 in 1999 to \$9.9 million in 2003. Portugal was followed by Costa Rica (exports up 845 percent), China (up 381 percent), Taiwan (up 124 percent), and Singapore (up 119 percent).
- Chemical manufactures, with 43 percent of the 2003 value (\$804 million), dominated the state's exports. Other important sectors included computers and electronic products (2003 exports of \$266 million) and transportation equipment (\$186 million).
- In dollar terms, Delaware's leading manufactured export growth category is computers and electronic products, which increased \$69 million during the 1999-2003 period. Other manufactured export categories that registered large dollar growth over this period were machinery manufactures (up \$37 million), and paper products (up \$23 million).
- Paper products is Delaware's fastest-growing manufactured export category in percentage terms, rising 249 percent from \$9.3 million in 1999 to \$32.5 million in 2003. Other fast-growing manufactured export categories during the 1999-2003 period were wood products (up 47 percent) and computers and electronic products (up 35 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point of exit) from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

Prepared by the Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce.